

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION**

INCOME TAX APPEAL NO. 422 OF 2004

The Commissioner of Income Tax ... Appellant
-VIII, Mumbai.

V/s.

M/s. Serene Diamonds P. Ltd. ... Respondent

Mr. A.N. Kotangale for the appellant.

Mr. F.V. Irani with Mr. A.K. Jasani for respondent.

**CORAM : H.L. GOKHALE &
V.R. KINGAONKAR, JJ.
DATED : 1st August, 2006**

P.C.

. Heard Mr. Kotangale in support of this appeal. Mr. Irani appears for the respondent. The respondent is engaged in the business of import of rough diamonds and export of cut and polished diamonds. While filing its return, respondent utilised the method of valuation of closing stock of raw material. That method was held to be a proper method by the Assessing Officer for computing income taxable under the Act. All that, the Tribunal has held is that if this method is applied while computing income taxable, the Assessing Officer cannot reject application of the same method for claiming deduction under Section 80HCC of the Act. This being the view

taken by the tribunal, in our view there is no substantial question of law, which requires re-consideration. Hence, appeal is dismissed.

[H.L. GOKHALE, J.]

[V.R. KINGAONKAR, J.]